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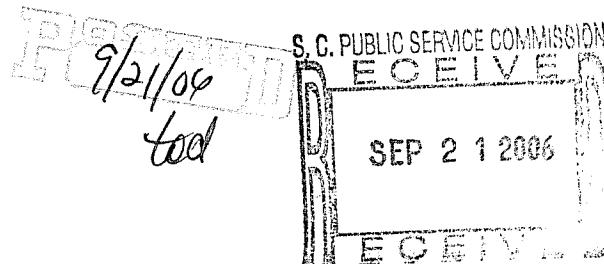
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September 19, 2006

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Re: Application of United Utility Companies, Inc. for Adjustment of Rates and Charges and Modification to Certain Terms and Conditions for the Provision of Water and Sewer Service
Docket No.: 2006-107-WS

Dear Mr. Terreni:

Pursuant to the Commission's Directive dated September 8, 2006 (the "Directive"), North Greenville University (the "University") hereby declares its intent with respect to the above-referenced Application.

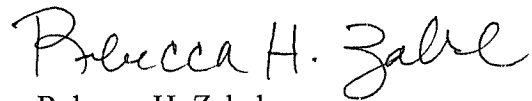
As you are aware, the Commission rejected the Settlement Agreement entered into by the Office of Regulatory Staff ("ORS"), United Utility Companies, Inc. ("United Utility"), Greenville Timberline South Carolina, LLC and the University. In light of the this rejection, the Directive offers the parties two options: (1) withdraw the Settlement Agreement and stipulated testimony and proceed to a final hearing; or (2) propose the Settlement Agreement in lieu of United Utility's original application and offer additional evidence in support thereof.

As an intervenor, the University has never proposed any rate increase, nor has it been in support of an increase of rates whatsoever. Rather, the University has always proposed that the Commission order United Utility to adopt a usage-based rate calculation as opposed to its current flat rate. While the University did agree to the terms of the Settlement Agreement, it did so solely in recognition of the fact that its terms represented a reasonable and fair compromise between United Utility's original proposed increase and no increase whatsoever. As the University has not proposed any rate increase, it is not in a position to accept or reject either of the above options outlined in the Directive and therefore chooses not to do so at this point.

Page 2
September 19, 2006

However, the University nevertheless reserves its right to set forth specific objections, if any, to the Directive in a petition for reconsideration filed by any party in this matter.

Yours very truly,

A handwritten signature in cursive script that reads "Rebecca H. Zabel".

Rebecca H. Zabel
Leatherwood Walker Todd & Mann, P.C.

cc: Dr. James Epting